

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

IN RE
ORLANDO BABILONIA AYALA
SSN #xxx-xx-0401
Debtor

BANKRUPTCY 17- 00148 BKT
CHAPTER 7

DEBTOR ANSWER & OPPOSITION TO §707(b)(1) & (3) MOTION TO DISMISS
TO THE HONORABLE COURT:

ORLANDO BABILONIA AYALA through the undersigned counsel, respectfully states and prays that the §707(b)(1) & (3) Motion to Dismiss filed by the U.S. Trustee be denied and answers as follows:

ANSWER

- I. *Statement of Jurisdiction* - Paragraph I does not require a response, if one is needed debtor admits to this Court's jurisdiction.
- II. *Statement of Applicable Statutes & Rules* - Paragraph II does not require a response, if one is needed debtor admits that the sections of law cited therein represent essentially what the plain language of each provision so states. Debtor denies that any of the provisions used as support in the motion regarding abuse or bad faith apply to him and further asserts that Movant has not shown any elements of abuse or bad faith by debtor, nor has it shown ability to pay in a chapter 13 where debtor's negative disposable income is further increased, as shown in **Exhibit #1** attached herein that is a mock C13 Determination of CMI & Statement of Commitment Period, showing a negative disposable income of **-\$1,435.60**, using same CMI as in C7. With the burden of proof on the Movant, it is doubtful that Movant can prove its case.
- III. *Timeliness of Motion* - The extension sought by Movant to file this motion at doc #18 on April 10, 2017 and granted by the Court at doc #19 on April 11, 2017, did not allow sufficient notice and opportunity to the debtor or any party, to oppose, nor was a hearing as required by the Code scheduled or heard. There was no cause to extend the time requirements of the Code and it is questionable

if the extension to file the motion to dismiss was timely sought. Debtor dutifully filed all his schedules and statements with his voluntary petition and appeared and was available for examination at the first duly scheduled §341 Meeting of Creditors. Furthermore, the U.S. Trustee did not appear by choice to the scheduled first §341 Meeting of Creditors on February 9, 2017, although Movant appeared at the March 9, 2017 meeting. Debtor did not cause any delay with all the required documentation timely filed and submitted to the Chapter 7 Trustee. Justification for the extension requested by Movant because “a review by the U.S.T. of debtor’s schedules, statement of Financial Affairs, and other related documents has raised questions regarding his financial affairs” and that “the U.S. Trustee is in the process of finishing his review of debtor’s testimony at the meetings of creditors, as well as several documents and evidence provided by him,” does not provide “cause” to extend the time to file the subject motion to dismiss. The U.S. Trustee adds as further justification, yet still does not constitute cause that “furthermore, the U.S. Trustee is also performing research as to some of the legal issues presented by debtor’s case.” Debtor’s case did not trigger any more or any less than any other chapter 7 filing and Movant had more than sufficient time and opportunity for the U.S. Trustee to review and evaluate its options under the Code within the statutory time constraints which exist to assure a debtor his fresh start.

- a. No Statement of Presumed Abuse was filed by the U.S. Trustee within 10 days of the §341 Meeting of Creditors and as such, there is no issue that the Means Test determination of a negative disposable income and “no abuse” is correct.

IV(a). *Statement of Facts & Argument* - Debtor **admits** this un-numbered paragraph, but **clarifies** that the \$7,047.67¹ CMI includes an annual merit bonus that debtor received during the 6 months immediately preceding petition date, on account of work which debtor performed over the entire year and not just over any one six-month period. Debtor asserts that an annual bonus should not be added in its entirety and without apportionment, to other income that debtor earned over this six-month period, when performing “means test” calculation. Refer to **Exhibit #2** which represents a mock C7 Means Test wherein the annual bonus constructively received at \$6,659.34 has been pro-

¹ Debtor’s CMI will be further amended & increased to \$7,488.84, but continues to determine “DMI under abuse by \$212.69, or NO Abuse of 60 month DI <\$7,700.” The net monthly loss is **-\$84.36**.

rated during 12 months, instead of the 6 months. Debtor will also further amend Schedule I to include the pro-rated monthly amount of the two bonuses, or merit bonus of \$554.95 + Xmas bonus of \$50, or \$604.95. For illustrative purposes and to assist the Court in reaching a decision, Exhibits #1, #2 & #3² attached herein should ultimately be used by this Court in its final analysis of this case.

IV(b). Debtor **admits** this second un-numbered paragraph.

IV(c). Debtor **admits** this third un-numbered paragraph, but **clarifies** that admittedly his 5-year-old son does not reside with him, but the father does have visitation of the child every weekend and is responsible for taking his son to medical appointments throughout the week with more than regular frequency and need unfortunately.

IV(d). Debtor **admits** this fourth un-numbered paragraph, but once again clarifies that an amended Schedule I will be filed as soon as debtor is able to sign the amendment with the 12-month pro-rated bonus, as a forward looking projection of monthly income, which also continues to show a net monthly loss of **-\$708.28** in Amended Schedule J versus **-\$84.36** in the Amended Form 122C-1 & 2, also to be filed shortly, without the pro-rating of the annual bonus.

IV(e). Debtor **admits** this fifth un-numbered paragraph, and further adds and clarifies that all of debtor's monthly household [HH] expenses are more than reasonable and, when appropriate, correspond to the expense amounts allowed under the National Standards and Local Standards, Necessary Expenses issued by the IRS for the categories and for the area in which the debtor resides. Specifically, the National Standards have been used in this case for 'food, childcare & children's education costs, clothing, personal care, medical & dental [for 2 HH since he covers all of his son's medical expenses which are above the IRS Standard] transportation, car payments or ownership and miscellaneous fund.

² Exhibits attached to the Answer are mock forms [Mock C13 MT w/ \$7,488.84 CMI/Mock C7 MT w/ prorated bonuses & \$6,883.90 CMI/Mock C13 MT w/ prorated bonuses & \$6,883.90 CMI] to highlight debtor's assertions that a conversion to chapter 13 is of no benefit to his creditors where the permissible use and deduction of contributions and loan payments to his 401k can be deducted from disposable income giving this debtor a, in even greater deficiency in monthly disposable income. The exhibits are included without debtor's signature limited to highlighting debtor's inability to fund a chapter 13 plan with or without deduction of 401k contributions, and highlighting debtor's actual monthly income by the pro-rating of his annual merit bonus and Xmas bonus both in the chapter 13 and chapter 7 scenarios instead of the distorted CMI produced by the un-apportioned or prorated bonuses.

IV(f). Debtor **admits** this sixth un-numbered paragraph, but further clarifies that in all of the determinative Schedules and Statements amended, or to be amended in the next few days by debtor, there continues to be no abuse determined.

IV(g). Debtor **denies** this seventh un-numbered paragraph. The voluntary contribution & retirement loan has not been used to compute debtor's CMI and/or disposable income in his chapter 7. Furthermore, in a chapter 13 scenario, debtor's net monthly loss is greater than what is determined in the chapter 7. Refer to mock Chapter 13 Statement of CMI & Calculation of Commitment Period/Means Test attached as **Exhibit #1**, where the net monthly loss is a negative **-\$1,435.60** at Part 2: line 45 which calculates monthly disposable income under §1325(b)(2). Even the amended Means Test which increases income inadvertently omitted initially by debtor's counsel, will not "yield a distribution of \$38,958 to pay his creditors 75%" but the true yield is a negative **-\$50,616.60** according to the Amended MT to be filed shortly. The DMI is under abuse by \$212.68 monthly.

IV(h). Debtor **admits** this eighth un-numbered paragraph. Notwithstanding the MT has been amended to eliminate reduction of retirement loan and as such this paragraph is now **denied**, and also denies the result that Movant attempts to argue. With or without deduction of voluntary contributions in the C7 MT, no abuse is determined and debtor continues with a net monthly loss in his CMI, greater in a hypothetical chapter 13 as demonstrated in **Exhibit #1**.

Exhibit #1 shows how the permissible use of the voluntary contribution and repayment of the retirement loan in chapter 13 will produce an even higher deficiency in disposable income than what is determined in the chapter 7. Refer to **Exhibit #1** C13 Form 122C-2 at Part 2: "Determine Your Disposable Income under 11 U.S.C. §1325(B)(2)", line 41: "Fill in all qualified retirement deductions. The monthly total of all amounts that your employer withheld from wages as contributions for qualified retirement plans, as specified in 11 U.S.C. §541(b)(7) plus all required repayments of loans from retirement plan, as specified in 11 U.S.C. §362(B)(19)." (Emphasis provided).

IV(i). Debtor **denies** this ninth un-numbered paragraph, since projecting that a debtor may have additional disposable income on the 42nd month is neither practical or certain, nor is it required under a chapter 13 Plan to determine disposable income at petition date. Neither is it certain that debtor will always receive a merit bonus,³ or the same amount of merit bonus, or a \$600 Christmas bonus, or that the vehicle as it

³ Debtor's merit bonuses throughout his employment with Medtronics have fluctuated in amounts and average \$3,410.46 & not the \$6,659.34 at issue herein received in July of 2016.

depreciates and in need of increased operating expense may need to be traded-in for a different unit, or lost to theft or accident. Accordingly, the voluntary contribution to debtor's 401K retirement fund has not been used to compute debtor's CMI in chapter 7, yet in a chapter 13 these can be deducted from disposable income, resulting in that the net monthly loss is greater thereby reducing the amount available to creditors to less than zero. There is no benefit to seeing this case converted to chapter 13.

IV(j). Debtor **denies** this tenth un-numbered paragraph. All of debtor's expenses are and have been disclosed at a more than reasonable amount and most if not all are the identical amounts allowed under the National & Local IRS Federal Standards.

IV(k). Debtor **denies** this eleventh un-numbered paragraph, since projecting that a debtor may have additional disposable income on the 29th month is neither practical or certain, nor is it required under a chapter 13 Plan to determine disposable income at petition date which ultimately determines a debtor's capacity to fund a chapter 13 plan from the first date of the Plan. Debtor once again notes that the use of the voluntary 401k contributions has not been used to compute debtor's CMI in this chapter 7 case. Yet, these can be and will be deducted under a chapter 13 scenario at line 41 of the Means Test, giving this debtor an even greater monthly loss in his CMI of a projected disposable income of a negative **-\$1,435.60**, which should be the ultimate determining factor herein.

IV(l). Debtor vehemently **denies** this twelfth un-numbered paragraph. A debtor that schedules \$150 for entertainment, books, newspapers etc., if divided by 30 days allows this father who has his 5-year-old son every weekend a mere \$5 a day or \$34.88 every weekend in the month for movies and day outings with his 5-year-old son, newspapers, books etc. Furthermore, the "miscellaneous" amount scheduled in Schedule J is the same National & Local IRS Federal Standard allowed for a one-person household.

WHEREFORE, debtor respectfully answers the U.S. Trustee's *Motion to Dismiss* and prays that this Court find in his favor. Movant will not be able to show, nor has it shown any ill will, abuse or bad faith by debtor, and the totality of circumstances weigh in debtor's favor. Movant's opposition to debtor's voluntary contributions to his 401k have not been computed or deducted from the negative disposable income in his C7 Means Test nor for the determination of no abuse. If this case were to be converted to chapter 13, wherein qualified retirement contributions and retirement loans can indeed be deducted from disposable income, will further determine NO ABUSE with a net monthly loss, or negative disposable income of **-\$1,435.60**, showing clearly that this debtor has not proceeded in bad faith or abuse and that he does not have nor will have

ability to pay his creditors when the C13 Means Test shows that less than zero is what will be available to his creditors in a chapter 13 scenario.

NOTICE

Within twenty-one (21) days after service as evidenced by the certification, and an additional three (3) days pursuant to Fed. R. Bank. P. 9006(f) if you were served by mail, any party against whom this paper has been served, or any other party to the action who objects to the relief sought herein, shall serve and file an objection or other appropriate response to this paper with the Clerk's office of the U.S. Bankruptcy Court for the District of Puerto Rico. If no objection or other response is filed within the time allowed herein, the paper will be deemed unopposed and may be granted unless: (I) the requested relief is forbidden by law; (ii) the requested relief is against public policy; or (iii) in the opinion of the Court, the interest of justice requires otherwise.

CERTIFY that on this same date this motion has been filed electronically and on information and belief, CmEcF will electronically notice participants therein, which include the U.S.T. and the chapter 7 Trustee, as follows:

JUAN A CUYAR COBB - SCOTIABANK jcc@fccplawpr.com, jcc_fccplaw@yahoo.com

MONSITA LECAROSZ ARRIBAS ustpreregion21.hr.ecf@usdoj.gov

LYSSETTE A MORALES lamoraleslawoffice@gmail.com, irma.lamoraes@gmail.com

SERGIO A RAMIREZ – BSPR sramirez@sarlaw.com, sramirez@ecf.courtdrive.com

US TRUSTEE ustpreregion21.hr.ecf@usdoj.gov

EDGAR A.VEGA RIVERA – BPPR edvega@bppr.com, edgar.vega@popular.com

NOREEN WISCOVITCH courts@nwrlaw.com, nwiscovitch@ecf.epiqsystems.com

In Caguas, Puerto Rico on the 11th day of July, 2017

LA Morales

USDC PR #120011

L.A. MORALES & ASSOCIATES P.S.C.

URB VILLA BLANCA

#76 AQUAMARINA

CAGUAS PR 00725-1908

TEL (787)746-2434/ 258-2658

FAX 1-855-298-2515

E-mail: lamoraleslawoffice@gmail.com

Fill in this information to identify your case:

Debtor 1 ORLANDO BABILONIA AYALA

Debtor 2 _____
(Spouse, if filing)

United States Bankruptcy Court for the: District of Puerto Rico

Case number 17-00148 BKT
(if known)

Check as directed in lines 17 and 21:

According to the calculations required by this Statement:

- ☐ 1. Disposable income is not determined under 11 U.S.C. § 1325(b)(3).
- ☒ 2. Disposable income is determined under 11 U.S.C. § 1325(b)(3).
- ☐ 3. The commitment period is 3 years.
- ☒ 4. The commitment period is 5 years.

☒ Check if this is an amended filing

Official Form 122C-1 Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period

12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which the additional information applies. On the top of any additional pages, write your name and case number (if known).

Part 1: Calculate Your Average Monthly Income

1. What is your marital and filing status? Check one only.

- ☒ **Not married.** Fill out Column A, lines 2-11.
- ☐ **Married.** Fill out both Columns A and B, lines 2-11.

Fill in the average monthly income that you received from all sources, derived during the 6 full months before you file this bankruptcy case. 11 U.S.C. § 101(10A). For example, if you are filing on September 15, the 6-month period would be March 1 through August 31. If the amount of your monthly income varied during the 6 months, add the income for all 6 months and divide the total by 6. Fill in the result. Do not include any income amount more than once. For example, if both spouses own the same rental property, put the income from that property in one column only. If you have nothing to report for any line, write \$0 in the space.

	Column A Debtor 1	Column B Debtor 2 or non-filing spouse
2. Your gross wages, salary, tips, bonuses, overtime, and commissions (before all payroll deductions).	\$ 7,488.84	\$
3. Alimony and maintenance payments. Do not include payments from a spouse if Column B is filled in.	\$ 0.00	\$
4. All amounts from any source which are regularly paid for household expenses of you or your dependents, including child support. Include regular contributions from an unmarried partner, members of your household, your dependents, parents, and roommates. Include regular contributions from a spouse only if Column B is not filled in. Do not include payments you listed on line 3.	\$ 0.00	\$
5. Net income from operating a business, profession, or farm		
Gross receipts (before all deductions)	Debtor 1 \$ 0.00	
Ordinary and necessary operating expenses	-\$ 0.00	
Net monthly income from a business, profession, or farm	\$ 0.00 Copy here ->	\$ 0.00
6. Net income from rental and other real property		
Gross receipts (before all deductions)	Debtor 1 \$ 0.00	
Ordinary and necessary operating expenses	-\$ 0.00	
Net monthly income from rental or other real property	\$ 0.00 Copy here ->	\$ 0.00

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT**

Column A Debtor 1	Column B Debtor 2 or non-filing spouse
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7. Interest, dividends, and royalties\$ **0.00** \$**8. Unemployment compensation**\$ **0.00** \$

Do not enter the amount if you contend that the amount received was a benefit under the Social Security Act. Instead, list it here:

For you\$ **0.00**

For your spouse\$

9. Pension or retirement income. Do not include any amount received that was a benefit under the Social Security Act.\$ **0.00** \$**10. Income from all other sources not listed above.** Specify the source and amount. Do not include any benefits received under the Social Security Act or payments received as a victim of a war crime, a crime against humanity, or international or domestic terrorism. If necessary, list other sources on a separate page and put the total below.\$ **0.00** \$\$ **0.00** \$

Total amounts from separate pages, if any.

+ \$ **0.00** \$**11. Calculate your total average monthly income.** Add lines 2 through 10 for each column. Then add the total for Column A to the total for Column B.

\$ 7,488.84	+	\$	=	\$ 7,488.84
Total average monthly income				

Part 2: Determine How to Measure Your Deductions from Income**12. Copy your total average monthly income from line 11.** \$ **7,488.84****13. Calculate the marital adjustment.** Check one:

- ☒ You are not married. Fill in 0 below.
- ☐ You are married and your spouse is filing with you. Fill in 0 below.
- ☐ You are married and your spouse is not filing with you.

Fill in the amount of the income listed in line 11, Column B, that was NOT regularly paid for the household expenses of you or your dependents, such as payment of the spouse's tax liability or the spouse's support of someone other than you or your dependents.

Below, specify the basis for excluding this income and the amount of income devoted to each purpose. If necessary, list additional adjustments on a separate page.

If this adjustment does not apply, enter 0 below.

\$	
\$	
+\$	

Total\$ **0.00** Copy here=> - **0.00****14. Your current monthly income.** Subtract line 13 from line 12.\$ **7,488.84****15. Calculate your current monthly income for the year.** Follow these steps:15a. Copy line 14 here=>\$ **7,488.84**

Multiply line 15a by 12 (the number of months in a year).

x 12

15b. The result is your current monthly income for the year for this part of the form.\$ **89,866.08**

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

16. Calculate the median family income that applies to you. Follow these steps:

- 16a. Fill in the state in which you live. PR
- 16b. Fill in the number of people in your household. 1
- 16c. Fill in the median family income for your state and size of household. \$ 23,462.00
To find a list of applicable median income amounts, go online using the link specified in the separate instructions for this form. This list may also be available at the bankruptcy clerk's office.

17. How do the lines compare?

- 17a. ☐ Line 15b is less than or equal to line 16c. On the top of page 1 of this form, check box 1, *Disposable income is not determined under 11 U.S.C. § 1325(b)(3)*. **Go to Part 3.** Do NOT fill out *Calculation of Your Disposable Income* (Official Form 122C-2).
- 17b. ☒ Line 15b is more than line 16c. On the top of page 1 of this form, check box 2, *Disposable income is determined under 11 U.S.C. § 1325(b)(3)*. **Go to Part 3 and fill out Calculation of Your Disposable Income (Official Form 122C-2).** On line 39 of that form, copy your current monthly income from line 14 above.

Part 3: Calculate Your Commitment Period Under 11 U.S.C. § 1325(b)(4)

18. Copy your total average monthly income from line 11. \$ 7,488.84

19. Deduct the marital adjustment if it applies. If you are married, your spouse is not filing with you, and you contend that calculating the commitment period under 11 U.S.C. § 1325(b)(4) allows you to deduct part of your spouse's income, copy the amount from line 13.

19a. If the marital adjustment does not apply, fill in 0 on line 19a. -\$ 0.00

19b. Subtract line 19a from line 18.

\$ 7,488.84

20. Calculate your current monthly income for the year. Follow these steps:

20a. Copy line 19b \$ 7,488.84
Multiply by 12 (the number of months in a year) x 12

20b. The result is your current monthly income for the year for this part of the form

\$ 89,866.08

20c. Copy the median family income for your state and size of household from line 16c \$ 23,462.00

21. How do the lines compare?

- ☐ Line 20b is less than line 20c. Unless otherwise ordered by the court, on the top of page 1 of this form, check box 3, *The commitment period is 3 years*. Go to Part 4.
- ☒ Line 20b is more than or equal to line 20c. Unless otherwise ordered by the court, on the top of page 1 of this form, check box 4, *The commitment period is 5 years*. Go to Part 4.

Part 4: Sign Below

By signing here, under penalty of perjury I declare that the information on this statement and in any attachments is true and correct.

X /s/ ORLANDO BABILONIA AYALA

ORLANDO BABILONIA AYALA

Signature of Debtor 1

Date **July 11, 2017**

MM / DD / YYYY

If you checked 17a, do NOT fill out or file Form 122C-2.

If you checked 17b, fill out Form 122C-2 and file it with this form. On line 39 of that form, copy your current monthly income from line 14 above.

Fill in this information to identify your case:

Debtor 1 ORLANDO BABILONIA AYALA

Debtor 2
(Spouse, if filing)

United States Bankruptcy Court for the: District of Puerto Rico

Case number 17-00148 BKT
(if known)

☐ Check if this is an amended filing

Official Form 122C-2

Chapter 13 Calculation of Your Disposable Income

04/16

To fill out this form, you will need your completed copy of *Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period* (Official Form 122C-1).

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which additional information applies. On the top any additional pages, write your name and case number (if known).

Part 1: Calculate Your Deductions from Your Income

The Internal Revenue Service (IRS) issues National and Local Standards for certain expense amounts. Use these amounts to answer the questions in lines 6-15. To find the IRS standards, go online using the link specified in the separate instructions for this form. This information may also be available at the bankruptcy clerk's office.

Deduct the expense amounts set out in lines 6-15 regardless of your actual expense. In later parts of the form, you will use some of your actual expenses if they are higher than the standards. Do not include any operating expenses that you subtracted from income in lines 5 and 6 of Form 122C-1, and do not deduct any amounts that you subtracted from your spouse's income in line 13 of Form 122C-1.

If your expenses differ from month to month, enter the average expense.

Note: Line numbers 1-4 are not used in this form. These numbers apply to information required by a similar form used in chapter 7 cases.

5. The number of people used in determining your deductions from income

Fill in the number of people who could be claimed as exemptions on your federal income tax return, plus the number of any additional dependents whom you support. This number may be different from the number of people in your household.

1

National Standards You must use the IRS National Standards to answer the questions in lines 6-7.

6. **Food, clothing, and other items:** Using the number of people you entered in line 5 and the IRS National Standards, fill in the dollar amount for food, clothing, and other items. \$ 570.00
7. **Out-of-pocket health care allowance:** Using the number of people you entered in line 5 and the IRS National Standards, fill in the dollar amount for out-of-pocket health care. The number of people is split into two categories--people who are under 65 and people who are 65 or older--because older people have a higher IRS allowance for health care costs. If your actual expenses are higher than this IRS amount, you may deduct the additional amount on line 22.

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****People who are under 65 years of age**

7a. Out-of-pocket health care allowance per person \$ 54

7b. Number of people who are under 65 X 1

7c. **Subtotal.** Multiply line 7a by line 7b. \$ 54.00 Copy here=> \$ 54.00

People who are 65 years of age or older

7d. Out-of-pocket health care allowance per person \$ 130

7e. Number of people who are 65 or older X 0

7f. **Subtotal.** Multiply line 7d by line 7e. \$ 0.00 Copy here=> \$ 0.00

7g. **Total.** Add line 7c and line 7f \$ 54.00 Copy total here=> \$ 54.00

Local Standards You must use the IRS Local Standards to answer the questions in lines 8-15.**Based on information from the IRS, the U.S. Trustee Program has divided the IRS Local Standard for housing for bankruptcy purposes into two parts:****■ Housing and utilities - Insurance and operating expenses****■ Housing and utilities - Mortgage or rent expenses****To answer the questions in lines 8-9, use the U.S. Trustee Program chart. To find the chart, go online using the link specified in the separate instructions for this form. This chart may also be available at the bankruptcy clerk's office.**

8. **Housing and utilities - Insurance and operating expenses:** Using the number of people you entered in line 5, fill in the dollar amount listed for your county for insurance and operating expenses. \$ 435.00

9. **Housing and utilities - Mortgage or rent expenses:**

9a. Using the number of people you entered in line 5, fill in the dollar amount listed for your county for mortgage or rent expenses. \$ 581.00

9b. Total average monthly payment for all mortgages and other debts secured by your home.
To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Next divide by 60.

Name of the creditor	Average monthly payment
BSPR	\$ <u>1,569.50</u>
HOA Bosques de la Sierra	\$ <u>33.34</u>
IRS	\$ <u>257.77</u>

9b. Total average monthly payment

\$ 1,860.61Copy here=> -\$ 1,860.61 Repeat this amount on line 33a.

9c. Net mortgage or rent expense.

Subtract line 9b (*total average monthly payment*) from line 9a (*mortgage or rent expense*). If this number is less than \$0, enter \$0.

\$ 0.00Copy here=> \$ 0.00

10. **If you claim that the U.S. Trustee Program's division of the IRS Local Standard for housing is incorrect and affects the calculation of your monthly expenses, fill in any additional amount you claim.** \$ 0.00

Explain why: _____

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****11. Local transportation expenses:** Check the number of vehicles for which you claim an ownership or operating expense.☐ 0. Go to line 14.☒ 1. Go to line 12.☐ 2 or more. Go to line 12.**12. Vehicle operation expense:** Using the IRS Local Standards and the number of vehicles for which you claim the operating expenses, fill in the *Operating Costs* that apply for your Census region or metropolitan statistical area. \$ **251.00****13. Vehicle ownership or lease expense:** Using the IRS Local Standards, calculate the net ownership or lease expense for each vehicle below. You may not claim the expense if you do not make any loan or lease payments on the vehicle. In addition, you may not claim the expense for more than two vehicles.**Vehicle 1** Describe Vehicle 1: **2013 Hyundai Volester 75,000 miles****13a.** Ownership or leasing costs using IRS Local Standard..... \$ **471.00****13b.** Average monthly payment for all debts secured by Vehicle 1.

Do not include costs for leased vehicles.

To calculate the average monthly payment here and on line 13e, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Name of each creditor for Vehicle 1	Average monthly payment
SCOTIABANK of PUERTO RICO	\$ 317.03

Total Average Monthly Payment

\$ **317.03**Copy here => -\$ **317.03**

Repeat this amount on line 33b.

13c. Net Vehicle 1 ownership or lease expense

Subtract line 13b from line 13a. if this number is less than \$0, enter \$0.

\$ **153.97**

Copy net Vehicle 1 expense here =>

\$ **153.97****Vehicle 2** Describe Vehicle 2: _____**13d.** Ownership or leasing costs using IRS Local Standard..... \$ **0.00****13e.** Average monthly payment for all debts secured by Vehicle 2. Do not include costs for leased vehicles.

Name of each creditor for Vehicle 2	Average monthly payment
	\$ _____

Total average monthly payment

\$ _____

Copy here => -\$ **0.00**

Repeat this amount on line 33c.

13f. Net Vehicle 2 ownership or lease expense

Subtract line 13e from line 13d. if this number is less than \$0, enter \$0.

\$ **0.00**

Copy net Vehicle 2 expense here =>

\$ **0.00****14. Public transportation expense:** If you claimed 0 vehicles in line 11, using the IRS Local Standards, fill in the *Public Transportation* expense allowance regardless of whether you use public transportation. \$ **0.00****15. Additional public transportation expense:** If you claimed 1 or more vehicles in line 11 and if you claim that you may also deduct a public transportation expense, you may fill in what you believe is the appropriate expense, but you may not claim more than the IRS Local Standard for *Public Transportation*. \$ **0.00**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Other Necessary Expenses**

In addition to the expense deductions listed above, you are allowed your monthly expenses for the following IRS categories.

16. **Taxes:** The total monthly amount that you will actually pay for federal, state and local taxes, such as income taxes, self-employment taxes, social security taxes, and Medicare taxes. You may include the monthly amount withheld from your pay for these taxes. However, if you expect to receive a tax refund, you must divide the expected refund by 12 and subtract that number from the total monthly amount that is withheld to pay for taxes.
Do not include real estate, sales, or use taxes. \$ **1,640.83**
17. **Involuntary deductions:** The total monthly payroll deductions that your job requires, such as retirement contributions, union dues, and uniform costs.
Do not include amounts that are not required by your job, such as voluntary 401(k) contributions or payroll savings. \$ **0.00**
18. **Life Insurance:** The total monthly premiums that you pay for your own term life insurance. If two married people are filing together, include payments that you make for your spouse's term life insurance.
Do not include premiums for life insurance on your dependents, for a non-filing spouse's life insurance, or for any form of life insurance other than term. \$ **5.11**
19. **Court-ordered payments:** The total monthly amount that you pay as required by the order of a court or administrative agency, such as spousal or child support payments.
Do not include payments on past due obligations for spousal or child support. You will list these obligations in line 35. \$ **1,736.80**
20. **Education:** The total monthly amount that you pay for education that is either required:
☒ as a condition for your job, or
☒ for your physically or mentally challenged dependent child if no public education is available for similar services. \$ **0.00**
21. **Childcare:** The total monthly amount that you pay for childcare, such as babysitting, daycare, nursery, and preschool.
Do not include payments for any elementary or secondary school education. \$ **0.00**
22. **Additional health care expenses, excluding insurance costs:** The monthly amount that you pay for health care that is required for the health and welfare of you or your dependents and that is not reimbursed by insurance or paid by a health savings account. Include only the amount that is more than the total entered in line 7.
Payments for health insurance or health savings accounts should be listed only in line 25. \$ **79.05**
23. **Optional telephone and telephone services:** The total monthly amount that you pay for telecommunication services for you and your dependents, such as pagers, call waiting, caller identification, special long distance, or business cell phone service, to the extent necessary for your health and welfare or that of your dependents or for the production of income, if it is not reimbursed by your employer.
Do not include payments for basic home telephone, internet and cell phone service. Do not include self-employment expenses, such as those reported on line 5 of Official Form 122C-1, or any amount you previously deducted. +\$ **0.00**
24. **Add all of the expenses allowed under the IRS expense allowances.** \$ **4,925.76**
Add lines 6 through 23.

Additional Expense DeductionsThese are additional deductions allowed by the Means Test.
Note: Do not include any expense allowances listed in lines 6-24.

25. **Health insurance, disability insurance, and health savings account expenses.** The monthly expenses for health insurance, disability insurance, and health savings accounts that are reasonably necessary for yourself, your spouse, or your dependents.
- | | | | |
|------------------------|------|---------------|---------------------------------------|
| Health insurance | \$ | 133.05 | |
| Disability insurance | \$ | 0.00 | |
| Health savings account | + \$ | 0.00 | |
| Total | \$ | 133.05 | Copy total here=> \$ 133.05 |
- Do you actually spend this total amount?
☐ No. How much do you actually spend?
☒ Yes \$ _____
26. **Continued contributions to the care of household or family members.** The actual monthly expenses that you will continue to pay for the reasonable and necessary care and support of an elderly, chronically ill, or disabled member of your household or member of your immediate family who is unable to pay for such expenses. These expenses may include contributions to an account of a qualified ABLE program. 26 U.S.C. § 529A(b) \$ **0.00**
27. **Protection against family violence.** The reasonably necessary monthly expenses that you incur to maintain the safety of you and your family under the Family Violence Prevention and Services Act or other federal laws that apply.
By law, the court must keep the nature of these expenses confidential. \$ **0.00**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT**

28. **Additional home energy costs.** Your home energy costs are included in your insurance and operating expenses on line 8.

If you believe that you have home energy costs that are more than the home energy costs included in expenses on line 8, then fill in the excess amount of home energy costs

You must give your case trustee documentation of your actual expenses, and you must show that the additional amount claimed is reasonable and necessary.

\$ **0.00**

29. **Education expenses for dependent children who are younger than 18.** The monthly expenses (not more than \$160.42* per child) that you pay for your dependent children who are younger than 18 years old to attend a private or public elementary or secondary school.

You must give your case trustee documentation of your actual expenses, and you must explain why the amount claimed is reasonable and necessary and not already accounted for in lines 6-23.

* Subject to adjustment on 4/01/19, and every 3 years after that for cases begun on or after the date of adjustment.

\$ **160.42**

30. **Additional food and clothing expense.** The monthly amount by which your actual food and clothing expenses are higher than the combined food and clothing allowances in the IRS National Standards. That amount cannot be more than 5% of the food and clothing allowances in the IRS National Standards.

To find a chart showing the maximum additional allowance, go online using the link specified in the separate instructions for this form. This chart may also be available at the bankruptcy clerk's office.

You must show that the additional amount claimed is reasonable and necessary.

\$ **0.00**

31. **Continuing charitable contributions.** The amount that you will continue to contribute in the form of cash or financial instruments to a religious or charitable organization. 11 U.S.C. § 548(d)(3) and (4).

Do not include any amount more than 15% of your gross monthly income.

\$ **25.00**

32. **Add all of the additional expense deductions.**

Add lines 25 through 31.

\$ **318.47**

Deductions for Debt Payment

33. **For debts that are secured by an interest in property that you own, including home mortgages, vehicle loans, and other secured debt, fill in lines 33a through 33e.**

To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Mortgages on your home

Average monthly payment

33a. Copy line 9b here => \$ **1,860.61**

Loans on your first two vehicles

33b. Copy line 13b here => \$ **317.03**

33c. Copy line 13e here => \$ **0.00**

- 33d. List other secured debts:

Name of each creditor for other secured debt

Identify property that secures the debt

Does payment include taxes or insurance?

☐ No☐ Yes

\$

☐ No☐ Yes

\$

☐ No☐ Yes

+

\$

-NONE-

33e Total average monthly payment. Add lines 33a through 33d

\$ **2,177.64**

Copy total here=>

\$ **2,177.64**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****34. Are any debts that you listed in line 33 secured by your primary residence, a vehicle, or other property necessary for your support or the support of your dependents?**☐ No. Go to line 35.☒ Yes. State any amount that you must pay to a creditor, in addition to the payments listed in line 33, to keep possession of your property (called the *cure amount*). Next, divide by 60 and fill in the information below.

Name of the creditor	Identify property that secures the debt	Total cure amount	Monthly cure amount
BSPR	Bosque de la Sierra B 2 Coqui Mona CAGUAS, PR 00725 CAGUAS County 423 s/m lot Recorded @: Vol 1737 Page 78 Fca 60,311 § II Caguas Appraised as of 6/2016	\$ 6,597.00	÷ 60 = \$ 109.95
		\$	÷ 60 = \$
		\$	÷ 60 = +\$
Total		\$ 109.95	Copy total here=> \$ 109.95

35. Do you owe any priority claims - such as a priority tax, child support, or alimony - that are past due as of the filing date of your bankruptcy case? 11 U.S.C. § 507.☐ No. Go to line 36.☒ Yes. Fill in the total amount of all of these priority claims. Do not include current or ongoing priority claims, such as those you listed in line 19.

Total amount of all past-due priority claims \$ 2,002.96 ÷ 60 \$ 33.38

36. Projected monthly Chapter 13 plan payment

\$ 100.00

Current multiplier for your district as stated on the list issued by the Administrative Office of the United States Courts (for districts in Alabama and North Carolina) or by the Executive Office for United States Trustees (for all other districts).
To find a list of district multipliers that includes your district, go online using the link specified in the separate instructions for this form. This list may also be available at the bankruptcy clerk's office.

X 8.00

Average monthly administrative expense

\$ 8.00

Copy total here=> \$ 8.00

37. Add all of the deductions for debt payment.

Add lines 33e through 36.

\$ 2,328.97

Total Deductions from Income**38. Add all of the allowed deductions.**

Copy line 24, All of the expenses allowed under IRS expense allowances \$ 4,925.76

Copy line 32, All of the additional expense deductions \$ 318.47

Copy line 37, All of the deductions for debt payment +\$ 2,328.97

Total deductions \$ 7,573.20 Copy total here=> \$ 7,573.20

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Part 2: Determine Your Disposable Income Under 11 U.S.C. § 1325(b)(2)**

39. **Copy your total current monthly income from line 14 of Form 122C-1, Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period.** \$ **7,488.84**

40. **Fill in any reasonably necessary income you receive for support for dependent children.** The monthly average of any child support payments, foster care payments, or disability payments for a dependent child, reported in Part I of Form 122C-1, that you received in accordance with applicable nonbankruptcy law to the extent reasonably necessary to be expended for such child. \$ **0.00**

41. **Fill in all qualified retirement deductions.** The monthly total of all amounts that your employer withheld from wages as contributions for qualified retirement plans, as specified in 11 U.S.C. § 541(b)(7) plus all required repayments of loans from retirement plans, as specified in 11 U.S.C. § 362(b)(19). \$ **1,351.24**

42. **Total of all deductions allowed under 11 U.S.C. § 707(b)(2)(A).** Copy line 38 here => \$ **7,573.20**

43. **Deduction for special circumstances.** If special circumstances justify additional expenses and you have no reasonable alternative, describe the special circumstances and their expenses. You must give your case trustee a detailed explanation of the special circumstances and documentation for the expenses.

Describe the special circumstances	Amount of expense
_____	\$ _____
_____	\$ _____
_____	\$ _____

Total \$ **0.00**

Copy here=> \$ **0.00**

44. **Total adjustments.** Add lines 40 through 43. => \$ **8,924.44** Copy here=> -\$ **8,924.44**

45. **Calculate your monthly disposable income under § 1325(b)(2).** Subtract line 44 from line 39.

\$ **-1,435.60**

Part 3: Change in Income or Expenses

46. **Change in income or expenses.** If the income in Form 122C-1 or the expenses you reported in this form have changed or are virtually certain to change after the date you filed your bankruptcy petition and during the time your case will be open, fill in the information below. For example, if the wages reported increased after you filed your petition, check 122C-1 in the first column, enter line 2 in the second column, explain why the wages increased, fill in when the increase occurred, and fill in the amount of the increase.

Form	Line	Reason for change	Date of change	Increase or decrease?	Amount of change
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$ _____
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$ _____
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$ _____
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$ _____

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Part 4: Sign Below

By signing here, under penalty of perjury you declare that the information on this statement and in any attachments is true and correct.

X /s/ ORLANDO BABILONIA AYALA

ORLANDO BABILONIA AYALA

Signature of Debtor 1

Date **July 11, 2017**

MM / DD / YYYY

DRAFT

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Current Monthly Income Details for the Debtor

Debtor Income Details:

Income for the Period **07/01/2016** to **12/31/2016**.

Line 2 - Gross wages, salary, tips, bonuses, overtime, commissions

Source of Income: **Medtronics**

Income by Month:

6 Months Ago:	<u>07/2016</u>	<u>\$14,657.08</u>
5 Months Ago:	<u>08/2016</u>	<u>\$5,391.54</u>
4 Months Ago:	<u>09/2016</u>	<u>\$5,391.54</u>
3 Months Ago:	<u>10/2016</u>	<u>\$5,414.04</u>
2 Months Ago:	<u>11/2016</u>	<u>\$5,391.54</u>
Last Month:	<u>12/2016</u>	<u>\$8,687.31</u>
Average per month:		<u>\$7,488.84</u>

DRAFT

Fill in this information to identify your case:

Debtor 1 ORLANDO BABILONIA AYALA

Debtor 2 _____
(Spouse, if filing)

United States Bankruptcy Court for the: District of Puerto Rico

Case number 17-00148 BKT
(if known)

Check one box only as directed in this form and in Form 122A-1Supp:

- ☐ 1. There is no presumption of abuse
- ☒ 2. The calculation to determine if a presumption of abuse applies will be made under *Chapter 7 Means Test Calculation* (Official Form 122A-2).
- ☐ 3. The Means Test does not apply now because of qualified military service but it could apply later.

☒ Check if this is an amended filing

Official Form 122A - 1 Chapter 7 Statement of Your Current Monthly Income

12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which the additional information applies. On the top of any additional pages, write your name and case number (if known). If you believe that you are exempted from a presumption of abuse because you do not have primarily consumer debts or because of qualifying military service, complete and file *Statement of Exemption from Presumption of Abuse Under § 707(b)(2)* (Official Form 122A-1Supp) with this form.

Part 1: Calculate Your Current Monthly Income

1. What is your marital and filing status? Check one only.

- ☒ **Not married.** Fill out Column A, lines 2-11.
- ☐ **Married and your spouse is filing with you.** Fill out both Columns A and B, lines 2-11.
- ☐ **Married and your spouse is NOT filing with you. You and your spouse are:**
- ☐ **Living in the same household and are not legally separated.** Fill out both Columns A and B, lines 2-11.
- ☐ **Living separately or are legally separated.** Fill out Column A, lines 2-11; do not fill out Column B. By checking this box, you declare under penalty of perjury that you and your spouse are legally separated under nonbankruptcy law that applies or that you and your spouse are living apart for reasons that do not include evading the Means Test requirements, 11 U.S.C. § 707(b)(7)(B).

Fill in the average monthly income that you received from all sources, derived during the 6 full months before you file this bankruptcy case. 11 U.S.C. § 101(10A). For example, if you are filing on September 15, the 6-month period would be March 1 through August 31. If the amount of your monthly income varied during the 6 months, add the income for all 6 months and divide the total by 6. Fill in the result. Do not include any income amount more than once. For example, if both spouses own the same rental property, put the income from that property in one column only. If you have nothing to report for any line, write \$0 in the space.

	Column A Debtor 1	Column B Debtor 2 or non-filing spouse
2. Your gross wages, salary, tips, bonuses, overtime, and commissions (before all payroll deductions).	\$ 6,883.90	\$
3. Alimony and maintenance payments. Do not include payments from a spouse if Column B is filled in.	\$ 0.00	\$
4. All amounts from any source which are regularly paid for household expenses of you or your dependents, including child support. Include regular contributions from an unmarried partner, members of your household, your dependents, parents, and roommates. Include regular contributions from a spouse only if Column B is not filled in. Do not include payments you listed on line 3.	\$ 0.00	\$
5. Net income from operating a business, profession, or farm		
	Debtor 1	
Gross receipts (before all deductions)	\$ 0.00	
Ordinary and necessary operating expenses	-\$ 0.00	
Net monthly income from a business, profession, or farm	\$ 0.00	Copy here -> \$ 0.00
6. Net income from rental and other real property		
	Debtor 1	
Gross receipts (before all deductions)	\$ 0.00	
Ordinary and necessary operating expenses	-\$ 0.00	
Net monthly income from rental or other real property	\$ 0.00	Copy here -> \$ 0.00
7. Interest, dividends, and royalties	\$ 0.00	\$

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

	Column A Debtor 1	Column B Debtor 2 or non-filing spouse
8. Unemployment compensation Do not enter the amount if you contend that the amount received was a benefit under the Social Security Act. Instead, list it here: For you \$ 0.00 For your spouse \$	\$ 0.00	\$
9. Pension or retirement income. Do not include any amount received that was a benefit under the Social Security Act.	\$ 0.00	\$
10. Income from all other sources not listed above. Specify the source and amount. Do not include any benefits received under the Social Security Act or payments received as a victim of a war crime, a crime against humanity, or international or domestic terrorism. If necessary, list other sources on a separate page and put the total below. Total amounts from separate pages, if any.	\$ 0.00 \$ 0.00 + \$ 0.00	\$ \$ \$
11. Calculate your total current monthly income. Add lines 2 through 10 for each column. Then add the total for Column A to the total for Column B.	\$ 6,883.90	+ \$ = \$ 6,883.90 <small>Total current monthly income</small>

Part 2: Determine Whether the Means Test Applies to You

12. Calculate your current monthly income for the year. Follow these steps:

12a. Copy your total current monthly income from line 11 **Copy line 11 here=>** \$ **6,883.90**

Multiply by 12 (the number of months in a year) x 12

12b. The result is your annual income for this part of the form 12b. \$ **82,606.80**

13. Calculate the median family income that applies to you. Follow these steps:

Fill in the state in which you live. **PR**

Fill in the number of people in your household. **1**

Fill in the median family income for your state and size of household. 13. \$ **23,462.00**

To find a list of applicable median income amounts, go online using the link specified in the separate instructions for this form. This list may also be available at the bankruptcy clerk's office.

14. How do the lines compare?

14a. ☐ Line 12b is less than or equal to line 13. On the top of page 1, check box 1, *There is no presumption of abuse.* Go to Part 3.

14b. ☒ Line 12b is more than line 13. On the top of page 1, check box 2, *The presumption of abuse is determined by Form 122A-2.* Go to Part 3 and fill out Form 122A-2.

Part 3: Sign Below

By signing here, I declare under penalty of perjury that the information on this statement and in any attachments is true and correct.

X /s/ ORLANDO BABILONIA AYALA
ORLANDO BABILONIA AYALA
Signature of Debtor 1

Date **July 11, 2017**
MM / DD / YYYY

If you checked line 14a, do NOT fill out or file Form 122A-2.

If you checked line 14b, fill out Form 122A-2 and file it with this form.

Fill in this information to identify your case:

Debtor 1 ORLANDO BABILONIA AYALA

Debtor 2 _____
(Spouse, if filing)

United States Bankruptcy Court for the: District of Puerto Rico

Case number 17-00148 BKT
(if known)

Check the appropriate box as directed in lines 40 or 42:

According to the calculations required by this Statement:

☒ 1. There is no presumption of abuse.

☐ 2. There is a presumption of abuse.

☒ Check if this is an amended filing

Official Form 122A - 2 Chapter 7 Means Test Calculation

04/16

To fill out this form, you will need your completed copy of *Chapter 7 Statement of Your Current Monthly Income* (Official Form 122A-1).

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which additional information applies. On the top any additional pages, write your name and case number (if known).

Part 1: Determine Your Adjusted Income

1. Copy your total current monthly income. _____ Copy line 11 from Official Form 122A-1 here=>..... \$ 6,883.90

2. Did you fill out Column B in Part 1 of Form 122A-1?

☒ No. Fill in \$0 for the total on line 3.

☐ Yes. Is your spouse Filing with you?

☐ No. Go to line 3.

☐ Yes. Fill in \$0 for the total on line 3.

3. Adjust your current monthly income by subtracting any part of your spouse's income not used to pay for the household expenses of you or your dependents. Follow these steps:

On line 11, Column B of Form 122A-1, was any amount of the income you reported for your spouse NOT regularly used for the household expenses of you or your dependents?

☒ No. Fill in 0 for the total on line 3.

☐ Yes. Fill in the information below:

State each purpose for which the income was used

For example, the income is used to pay your spouse's tax debt or to support other than you or your dependents.

Fill in the amount you are subtracting from your spouse's income

\$ _____

\$ _____

\$ _____

Total. _____

\$ 0.00

Copy total here=>... - \$ 0.00

4. Adjust your current monthly income. Subtract line 3 from line 1.

\$ 6,883.90

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Part 2: Calculate Your Deductions from Your Income**

The Internal Revenue Service (IRS) issues National and Local Standards for certain expense amounts. Use these amounts to answer the questions in lines 6-15. To find the IRS standards, go online using the link specified in the separate instructions for this form. This information may also be available at the bankruptcy clerk's office.

Deduct the expense amounts set out in lines 6-15 regardless of your actual expense. In later parts of the form, you will use some of your actual expenses if they are higher than the standards. Do not deduct any amounts that you subtracted from your spouse's income in line 3 and do not deduct any operating expenses that you subtracted from income in lines 5 and 6 of form 122A-1.

If your expenses differ from month to month, enter the average expense.

Whenever this part of the form refers to *you*, it means both you and your spouse if Column B of Form 122A-1 is filled in.

5. The number of people used in determining your deductions from income

Fill in the number of people who could be claimed as exemptions on your federal income tax return, plus the number of any additional dependents whom you support. This number may be different from the number of people in your household.

1**National Standards**

You must use the IRS National Standards to answer the questions in lines 6-7.

6. **Food, clothing, and other items:** Using the number of people you entered in line 5 and the IRS National Standards, fill in the dollar amount for food, clothing, and other items. \$ **570.00**

7. **Out-of-pocket health care allowance:** Using the number of people you entered in line 5 and the IRS National Standards, fill in the dollar amount for out-of-pocket health care. The number of people is split into two categories--people who are under 65 and people who are 65 or older--because older people have a higher IRS allowance for health care costs. If your actual expenses are higher than this IRS amount, you may deduct the additional amount on line 22.

People who are under 65 years of age

7a. Out-of-pocket health care allowance per person \$ **54**

7b. Number of people who are under 65 X **1**

7c. **Subtotal.** Multiply line 7a by line 7b. \$ **54.00** Copy here=> \$ **54.00**

People who are 65 years of age or older

7d. Out-of-pocket health care allowance per person \$ **130**

7e. Number of people who are 65 or older X **0**

7f. **Subtotal.** Multiply line 7d by line 7e. \$ **0.00** Copy here=> +\$ **0.00**

7g. **Total.** Add line 7c and line 7f **\$ 54.00** Copy total here=> **\$ 54.00**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Local Standards** You must use the IRS Local Standards to answer the questions in lines 8-15.**Based on information from the IRS, the U.S. Trustee Program has divided the IRS Local Standard for housing for bankruptcy purposes into two parts:****■ Housing and utilities - Insurance and operating expenses****■ Housing and utilities - Mortgage or rent expenses****To answer the questions in lines 8-9, use the U.S. Trustee Program chart.**To find the chart, go online using the link specified in the separate instructions for this form.
This chart may also be available at the bankruptcy clerk's office.8. **Housing and utilities - Insurance and operating expenses:** Using the number of people you entered in line 5, fill in the dollar amount listed for your county for insurance and operating expenses. \$ **435.00**9. **Housing and utilities - Mortgage or rent expenses:**9a. Using the number of people you entered in line 5, fill in the dollar amount listed for your county for mortgage or rent expenses. \$ **581.00**

9b. Total average monthly payment for all mortgages and other debts secured by your home.

To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Name of the creditor	Average monthly payment
BSPR	\$ 1,569.50
HOA Bosques de la Sierra	\$ 33.34
IRS	\$ 257.77

Total average monthly payment \$ **1,860.61**Copy
here=>-\$ **1,860.61**Repeat this
amount on
line 33a.

9c. Net mortgage or rent expense.

Subtract line 9b (*total average monthly payment*) from line 9a (*mortgage or rent expense*). If this amount is less than \$0, enter \$0.\$ **0.00** Copy
here=> \$ **0.00**10. **If you claim that the U.S. Trustee Program's division of the IRS Local Standard for housing is incorrect and affects the calculation of your monthly expenses, fill in any additional amount you claim.** \$ **0.00**

Explain why:

11. **Local transportation expenses:** Check the number of vehicles for which you claim an ownership or operating expense.☐ 0. Go to line 14.☒ 1. Go to line 12.☐ 2 or more. Go to line 12.12. **Vehicle operation expense:** Using the IRS Local Standards and the number of vehicles for which you claim the operating expenses, fill in the *Operating Costs* that apply for your Census region or metropolitan statistical area. \$ **251.00**

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

13. **Vehicle ownership or lease expense:** Using the IRS Local Standards, calculate the net ownership or lease expense for each vehicle below. You may not claim the expense if you do not make any loan or lease payments on the vehicle. In addition, you may not claim the expense for more than two vehicles.

Vehicle 1 Describe Vehicle 1: **2013 Hyundai Volester 75,000 miles**

13a. Ownership or leasing costs using IRS Local Standard..... \$ **471.00**

13b. Average monthly payment for all debts secured by Vehicle 1.
Do not include costs for leased vehicles.

To calculate the average monthly payment here and on line 13e, add all amounts that are contractually due to each secured creditor in the 60 months after you filed for bankruptcy. Then divide by 60.

Name of each creditor for Vehicle 1	Average monthly payment
SCOTIABANK of PUERTO RICO	\$ 317.03

Total Average Monthly Payment

\$ **317.03**

Copy here => -\$ **317.03** Repeat this amount on line 33b.

13c. Net Vehicle 1 ownership or lease expense
Subtract line 13b from line 13a. if this amount is less than \$0, enter \$0.

\$ **153.97**

Copy net Vehicle 1 expense here => \$ **153.97**

Vehicle 2 Describe Vehicle 2:

13d. Ownership or leasing costs using IRS Local Standard..... \$ **0.00**

13e. Average monthly payment for all debts secured by Vehicle 2. Do not include costs for leased vehicles.

Name of each creditor for Vehicle 2	Average monthly payment
	\$

Total Average Monthly Payment

\$

Copy here => -\$ **0.00** Repeat this amount on line 33c.

13f. Net Vehicle 2 ownership or lease expense
Subtract line 13e from line 13d. if this amount is less than \$0, enter \$0.

\$ **0.00**

Copy net Vehicle 2 expense here => \$ **0.00**

14. **Public transportation expense:** If you claimed 0 vehicles in line 11, using the IRS Local Standards, fill in the *Public Transportation* expense allowance regardless of whether you use public transportation. \$ **0.00**

15. **Additional public transportation expense:** If you claimed 1 or more vehicles in line 11 and if you claim that you may also deduct a public transportation expense, you may fill in what you believe is the appropriate expense, but you may not claim more than the IRS Local Standard for *Public Transportation*. \$ **0.00**

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Other Necessary Expenses

In addition to the expense deductions listed above, you are allowed your monthly expenses for the following IRS categories.

16. **Taxes:** The total monthly amount that you will actually owe for federal, state and local taxes, such as income taxes, self-employment taxes, social security taxes, and Medicare taxes. You may include the monthly amount withheld from your pay for these taxes. However, if you expect to receive a tax refund, you must divide the expected refund by 12 and subtract that number from the total monthly amount that is withheld to pay for taxes.
Do not include real estate, sales, or use taxes. \$ **1,594.93**
17. **Involuntary deductions:** The total monthly payroll deductions that your job requires, such as retirement contributions, union dues, and uniform costs.
Do not include amounts that are not required by your job, such as voluntary 401(k) contributions or payroll savings. \$ **0.00**
18. **Life Insurance:** The total monthly premiums that you pay for your own term life insurance. If two married people are filing together, include payments that you make for your spouse's term life insurance. Do not include premiums for life insurance on your dependents, for a non-filing spouse's life insurance, or for any form of life insurance other than term. \$ **5.11**
19. **Court-ordered payments:** The total monthly amount that you pay as required by the order of a court or administrative agency, such as spousal or child support payments.
Do not include payments on past due obligations for spousal or child support. You will list these obligations in line 35. \$ **1,736.80**
20. **Education:** The total monthly amount that you pay for education that is either required:
☐ as a condition for your job, or
☐ for your physically or mentally challenged dependent child if no public education is available for similar services. \$ **0.00**
21. **Childcare:** The total monthly amount that you pay for childcare, such as babysitting, daycare, nursery, and preschool.
Do not include payments for any elementary or secondary school education. \$ **0.00**
22. **Additional health care expenses, excluding insurance costs:** The monthly amount that you pay for health care that is required for the health and welfare of you or your dependents and that is not reimbursed by insurance or paid by a health savings account. Include only the amount that is more than the total entered in line 7.
Payments for health insurance or health savings accounts should be listed only in line 25. \$ **79.05**
23. **Optional telephone and telephone services:** The total monthly amount that you pay for telecommunication services for you and your dependents, such as pagers, call waiting, caller identification, special long distance, or business cell phone service, to the extent necessary for your health and welfare or that of your dependents or for the production of income, if it is not reimbursed by your employer.
Do not include payments for basic home telephone, internet and cell phone service. Do not include self-employment expenses, such as those reported on line 5 of Official Form 122A-1, or any amount you previously deducted. +\$ **0.00**
24. **Add all of the expenses allowed under the IRS expense allowances.**
Add lines 6 through 23. \$ **4,879.86**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Additional Expense Deductions** These are additional deductions allowed by the Means Test.*Note:* Do not include any expense allowances listed in lines 6-24.

25. **Health insurance, disability insurance, and health savings account expenses.** The monthly expenses for health insurance, disability insurance, and health savings accounts that are reasonably necessary for yourself, your spouse, or your dependents.

Health insurance \$ **133.05**Disability insurance \$ **0.00**Health savings account + \$ **0.00**

Total

\$ **133.05**Copy total here=> \$ **133.05**

Do you actually spend this total amount?

☐ No. How much do you actually spend?☒ Yes

\$

26. **Continued contributions to the care of household or family members.** The actual monthly expenses that you will continue to pay for the reasonable and necessary care and support of an elderly, chronically ill, or disabled member of your household or member of your immediate family who is unable to pay for such expenses. These expenses may include contributions to an account of a qualified ABLE program. 26 U.S.C. § 529A(b).

\$ **0.00**

27. **Protection against family violence.** The reasonably necessary monthly expenses that you incur to maintain the safety of you and your family under the Family Violence Prevention and Services Act or other federal laws that apply.

By law, the court must keep the nature of these expenses confidential.

\$ **0.00**

28. **Additional home energy costs.** Your home energy costs are included in your insurance and operating expenses on line 8.

If you believe that you have home energy costs that are more than the home energy costs included in expenses on line 8, then fill in the excess amount of home energy costs.

You must give your case trustee documentation of your actual expenses, and you must show that the additional amount claimed is reasonable and necessary.

\$ **0.00**

29. **Education expenses for dependent children who are younger than 18.** The monthly expenses (not more than \$160.42* per child) that you pay for your dependent children who are younger than 18 years old to attend a private or public elementary or secondary school.

You must give your case trustee documentation of your actual expenses, and you must explain why the amount claimed is reasonable and necessary and not already accounted for in lines 6-23.

* Subject to adjustment on 4/01/19, and every 3 years after that for cases begun on or after the date of adjustment.

\$ **160.42**

30. **Additional food and clothing expense.** The monthly amount by which your actual food and clothing expenses are higher than the combined food and clothing allowances in the IRS National Standards. That amount cannot be more than 5% of the food and clothing allowances in the IRS National Standards.

To find a chart showing the maximum additional allowance, go online using the link specified in the separate instructions for this form. This chart may also be available at the bankruptcy clerk's office.

You must show that the additional amount claimed is reasonable and necessary.

\$ **0.00**

31. **Continuing charitable contributions.** The amount that you will continue to contribute in the form of cash or financial instruments to a religious or charitable organization. 26 U.S.C. § 170(c)(1)-(2).

+\$ **25.00**

32. **Add all of the additional expense deductions.**

Add lines 25 through 31.

\$ **318.47**

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Deductions for Debt Payment

33. For debts that are secured by an interest in property that you own, including home mortgages, vehicle loans, and other secured debt, fill in lines 33a through 33e.

To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Mortgages on your home:

33a. Copy line 9b here Average monthly payment
=> \$ **1,860.61**

Loans on your first two vehicles:

33b. Copy line 13b here => \$ **317.03**

33c. Copy line 13e here => \$ **0.00**

33d. List other secured debts:

Name of each creditor for other secured debt

Identify property that secures the debt

Does payment include taxes or insurance?

-NONE-

☐ No

☐ Yes \$

☐ No

☐ Yes \$

☐ No

☐ Yes +\$

33e. Total average monthly payment. Add lines 33a through 33d Copy total here=> \$ **2,177.64**

34. Are any debts that you listed in line 33 secured by your primary residence, a vehicle, or other property necessary for your support or the support of your dependents?

☐ No. Go to line 35.

☒ Yes. State any amount that you must pay to a creditor, in addition to the payments listed in line 33, to keep possession of your property (called the *cure amount*). Next, divide by 60 and fill in the information below.

Name of the creditor

Identify property that secures the debt

Total cure amount

Monthly cure amount

BSPR

**Bosque de la Sierra B 2 Coqui Mona
CAGUAS, PR 00725 CAGUAS County
423 s/m lot
Recorded @: Vol 1737 Page 78 Fca
60,311 § II Caguas
Appraised as of 6/2016**

\$ **6,597.00** ÷ 60 = \$ **109.95**

\$ ÷ 60 = \$

\$ ÷ 60 = +\$

Total \$ **109.95** Copy total here=> \$ **109.95**

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

35. Do you owe any priority claims such as a priority tax, child support, or alimony - that are past due as of the filing date of your bankruptcy case? 11 U.S.C. § 507.

☐ No. Go to line 36.

☒ Yes. Fill in the total amount of all of these priority claims. Do not include current or ongoing priority claims, such as those you listed in line 19.

Total amount of all past-due priority claims \$ **2,002.96** ÷ 60 = \$ **33.38**

DRAFT

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****36. Are you eligible to file a case under Chapter 13?** 11 U.S.C. § 109(e).For more information, go online using the link for *Bankruptcy Basics* specified in the separate instructions for this form. *Bankruptcy Basics* may also be available at the bankruptcy clerk's office.☐ No. Go to line 37.☒ Yes. Fill in the following information.

Projected monthly plan payment if you were filing under Chapter 13

\$ **100.00**

Current multiplier for your district as stated on the list issued by the Administrative Office of the United States Courts (for districts in Alabama and North Carolina) or by the Executive Office for United States Trustees (for all other districts).

X **8.00**

To find a list of district multipliers that includes your district, go online using the link specified in the separate instructions for this form. This list may also be available at the bankruptcy clerk's office.

Average monthly administrative expense if you were filing under Chapter 13

\$ **8.00**Copy total here=> \$ **8.00****37. Add all of the deductions for debt payment.**

Add lines 33e through 36.

\$ **2,328.97****Total Deductions from Income****38. Add all of the allowed deductions.**Copy line 24, *All of the expenses allowed under IRS expense allowances*\$ **4,879.86**Copy line 32, *All of the additional expense deductions*\$ **318.47**Copy line 37, *All of the deductions for debt payment*+\$ **2,328.97**

Total deductions

\$ **7,527.30**Copy total here.....=> \$ **7,527.30****Part 3: Determine Whether There is a Presumption of Abuse****39. Calculate monthly disposable income for 60 months**39a. Copy line 4, *adjusted current monthly income*\$ **6,883.90**39b. Copy line 38, *Total deductions*-\$ **7,527.30**

39c. Monthly disposable income. 11 U.S.C. § 707(b)(2). Subtract line 39b from line 39a

\$ **-643.40**Copy here=> \$ **-643.40**

For the next 60 months (5 years) x 60

39d. Total. Multiply line 39c by 60

39d. \$ **-38,604.00**Copy here=> \$ **-38,604.00****40. Find out whether there is a presumption of abuse.** Check the box that applies:☒ **The line 39d is less than \$7,700*.** On the top of page 1 of this form, check box 1, *There is no presumption of abuse.* Go to Part 5.☐ **The line 39d is more than \$12,850*.** On the top of page 1 of this form, check box 2, *There is a presumption of abuse.* You may fill out Part 4 if you claim special circumstances. Go to Part 5.☐ **The line 39d is at least \$7,700*, but not more than \$12,850*.** Go to line 41.

*Subject to adjustment on 4/01/19, and every 3 years after that for cases filed on or after the date of adjustment.

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

41. 41a. **Fill in the amount of your total nonpriority unsecured debt.** If you filled out *A Summary of Your Assets and Liabilities and Certain Statistical Information Schedules* (Official Form 106Sum), you may refer to line 3b on that form.

\$ _____
x .25

- 41b. **25% or your total nonpriority unsecured debt.** 11 U.S.C. § 707(b)(2)(A)(i)(I)

Multiply line 41a by 0.25.....

\$ _____

Copy
here=>

\$ _____

42. **Determine whether the income you have left over after subtracting all allowed deductions is enough to pay 25% of your unsecured, nonpriority debt.**

Check the box that applies:

☐ **Line 39d is less than line 41b.** On the top of page 1 of this form, check box 1, *There is no presumption of abuse.* Go to Part 5.

☐ **Line 39d is equal to or more than line 41b.** On the top of page 1 of this form, check box 2, *There is a presumption of abuse.* You may fill out Part 4 if you claim special circumstances. Then go to Part 5.

Part 4: Give Details About Special Circumstances

43. **Do you have any special circumstances that justify additional expenses or adjustments of current monthly income for which there is no reasonable alternative?** 11 U.S.C. § 707(b)(2)(B).

☒ No. Go to Part 5.

☐ Yes. Fill in the following information. All figures should reflect your average monthly expense or income adjustment for each item. You may include expenses you listed in line 25.

You must give a detailed explanation of the special circumstances that make the expenses or income adjustments necessary and reasonable. You must also give your case trustee documentation of your actual expenses or income adjustments.

Give a detailed explanation of the special circumstances

Average monthly expense or income adjustment

\$ _____
\$ _____
\$ _____
\$ _____

Part 5: Sign Below

By signing here, I declare under penalty of perjury that the information on this statement and in any attachments is true and correct.

X /s/ ORLANDO BABILONIA AYALA

ORLANDO BABILONIA AYALA

Signature of Debtor 1

Date **July 11, 2017**

MM / DD / YYYY

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Current Monthly Income Details for the Debtor

Debtor Income Details:

Income for the Period **07/01/2016** to **12/31/2016**.

Line 2 - Gross wages, salary, tips, bonuses, overtime, commissions

Source of Income: **Medtronics**

Income by Month:

6 Months Ago:	<u>07/2016</u>	<u>\$8,602.69</u>
5 Months Ago:	<u>08/2016</u>	<u>\$5,996.49</u>
4 Months Ago:	<u>09/2016</u>	<u>\$5,996.49</u>
3 Months Ago:	<u>10/2016</u>	<u>\$6,018.99</u>
2 Months Ago:	<u>11/2016</u>	<u>\$5,996.49</u>
Last Month:	<u>12/2016</u>	<u>\$8,692.26</u>
Average per month:		<u>\$6,883.90</u>

DRAFT

Fill in this information to identify your case:

Debtor 1 ORLANDO BABILONIA AYALA

Debtor 2 _____
(Spouse, if filing)

United States Bankruptcy Court for the: District of Puerto Rico

Case number 17-00148 BKT
(if known)

Check as directed in lines 17 and 21:

According to the calculations required by this Statement:

☐ 1. Disposable income is not determined under 11 U.S.C. § 1325(b)(3).

☒ 2. Disposable income is determined under 11 U.S.C. § 1325(b)(3).

☐ 3. The commitment period is 3 years.

☒ 4. The commitment period is 5 years.

☒ Check if this is an amended filing

Official Form 122C-1

Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period

12/15

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which the additional information applies. On the top of any additional pages, write your name and case number (if known).

Part 1: Calculate Your Average Monthly Income

1. What is your marital and filing status? Check one only.

☒ **Not married.** Fill out Column A, lines 2-11.

☐ **Married.** Fill out both Columns A and B, lines 2-11.

Fill in the average monthly income that you received from all sources, derived during the 6 full months before you file this bankruptcy case. 11 U.S.C. § 101(10A). For example, if you are filing on September 15, the 6-month period would be March 1 through August 31. If the amount of your monthly income varied during the 6 months, add the income for all 6 months and divide the total by 6. Fill in the result. Do not include any income amount more than once. For example, if both spouses own the same rental property, put the income from that property in one column only. If you have nothing to report for any line, write \$0 in the space.

	Column A Debtor 1	Column B Debtor 2 or non-filing spouse
2. Your gross wages, salary, tips, bonuses, overtime, and commissions (before all payroll deductions).	\$ <u>6,883.90</u>	\$ _____
3. Alimony and maintenance payments. Do not include payments from a spouse if Column B is filled in.	\$ <u>0.00</u>	\$ _____
4. All amounts from any source which are regularly paid for household expenses of you or your dependents, including child support. Include regular contributions from an unmarried partner, members of your household, your dependents, parents, and roommates. Include regular contributions from a spouse only if Column B is not filled in. Do not include payments you listed on line 3.	\$ <u>0.00</u>	\$ _____
5. Net income from operating a business, profession, or farm		
	Debtor 1	
Gross receipts (before all deductions)	\$ <u>0.00</u>	
Ordinary and necessary operating expenses	-\$ <u>0.00</u>	
Net monthly income from a business, profession, or farm	\$ <u>0.00</u> Copy here ->	\$ <u>0.00</u>
6. Net income from rental and other real property		
	Debtor 1	
Gross receipts (before all deductions)	\$ <u>0.00</u>	
Ordinary and necessary operating expenses	-\$ <u>0.00</u>	
Net monthly income from rental or other real property	\$ <u>0.00</u> Copy here ->	\$ <u>0.00</u>

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

	Column A Debtor 1	Column B Debtor 2 or non-filing spouse
7. Interest, dividends, and royalties	\$ 0.00	\$
8. Unemployment compensation	\$ 0.00	\$
Do not enter the amount if you contend that the amount received was a benefit under the Social Security Act. Instead, list it here:		
For you	\$ 0.00	
For your spouse	\$	
9. Pension or retirement income. Do not include any amount received that was a benefit under the Social Security Act.	\$ 0.00	\$
10. Income from all other sources not listed above. Specify the source and amount. Do not include any benefits received under the Social Security Act or payments received as a victim of a war crime, a crime against humanity, or international or domestic terrorism. If necessary, list other sources on a separate page and put the total below.	\$ 0.00	\$
	\$ 0.00	\$
Total amounts from separate pages, if any.	+ \$ 0.00	\$
11. Calculate your total average monthly income. Add lines 2 through 10 for each column. Then add the total for Column A to the total for Column B.	\$ 6,883.90	+ \$ = \$ 6,883.90
		Total average monthly income

Part 2: Determine How to Measure Your Deductions from Income

12. **Copy your total average monthly income from line 11.** \$ **6,883.90**

13. **Calculate the marital adjustment.** Check one:

☒ You are not married. Fill in 0 below.

☐ You are married and your spouse is filing with you. Fill in 0 below.

☐ You are married and your spouse is not filing with you.

Fill in the amount of the income listed in line 11, Column B, that was NOT regularly paid for the household expenses of you or your dependents, such as payment of the spouse's tax liability or the spouse's support of someone other than you or your dependents. Below, specify the basis for excluding this income and the amount of income devoted to each purpose. If necessary, list additional adjustments on a separate page.

If this adjustment does not apply, enter 0 below.

	\$	
	\$	
	+\$	
Total	\$ 0.00	Copy here=> - 0.00

14. **Your current monthly income.** Subtract line 13 from line 12.

15. **Calculate your current monthly income for the year.** Follow these steps:

15a. Copy line 14 here=> \$ **6,883.90**

Multiply line 15a by 12 (the number of months in a year).

15b. The result is your current monthly income for the year for this part of the form. \$ **82,606.80**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****16. Calculate the median family income that applies to you.** Follow these steps:

16a. Fill in the state in which you live.

PR

16b. Fill in the number of people in your household.

1

16c. Fill in the median family income for your state and size of household.

\$ 23,462.00

To find a list of applicable median income amounts, go online using the link specified in the separate instructions for this form. This list may also be available at the bankruptcy clerk's office.

17. How do the lines compare?17a. ☐ Line 15b is less than or equal to line 16c. On the top of page 1 of this form, check box 1, *Disposable income is not determined under 11 U.S.C. § 1325(b)(3)*. **Go to Part 3.** Do NOT fill out *Calculation of Your Disposable Income* (Official Form 122C-2).17b. ☒ Line 15b is more than line 16c. On the top of page 1 of this form, check box 2, *Disposable income is determined under 11 U.S.C. § 1325(b)(3)*. **Go to Part 3 and fill out Calculation of Your Disposable Income (Official Form 122C-2).** On line 39 of that form, copy your current monthly income from line 14 above.**Part 3: Calculate Your Commitment Period Under 11 U.S.C. § 1325(b)(4)**18. **Copy your total average monthly income from line 11 .** \$ 6,883.9019. **Deduct the marital adjustment if it applies.** If you are married, your spouse is not filing with you, and you contend that calculating the commitment period under 11 U.S.C. § 1325(b)(4) allows you to deduct part of your spouse's income, copy the amount from line 13.

19a. If the marital adjustment does not apply, fill in 0 on line 19a.

-\$ 0.0019b. **Subtract line 19a from line 18.**\$ 6,883.90**20. Calculate your current monthly income for the year.** Follow these steps:

20a. Copy line 19b

\$ 6,883.90

Multiply by 12 (the number of months in a year).

x 12

20b. The result is your current monthly income for the year for this part of the form

\$ 82,606.80

20c. Copy the median family income for your state and size of household from line 16c

\$ 23,462.00**21. How do the lines compare?**☐ Line 20b is less than line 20c. Unless otherwise ordered by the court, on the top of page 1 of this form, check box 3, *The commitment period is 3 years*. Go to Part 4.☒ Line 20b is more than or equal to line 20c. Unless otherwise ordered by the court, on the top of page 1 of this form, check box 4, *The commitment period is 5 years*. Go to Part 4.**Part 4: Sign Below**

By signing here, under penalty of perjury I declare that the information on this statement and in any attachments is true and correct.

X /s/ ORLANDO BABILONIA AYALA**ORLANDO BABILONIA AYALA**

Signature of Debtor 1

Date **July 11, 2017**

MM / DD / YYYY

If you checked 17a, do NOT fill out or file Form 122C-2.

If you checked 17b, fill out Form 122C-2 and file it with this form. On line 39 of that form, copy your current monthly income from line 14 above.

Fill in this information to identify your case:

Debtor 1 ORLANDO BABILONIA AYALA

Debtor 2
(Spouse, if filing)

United States Bankruptcy Court for the: District of Puerto Rico

Case number 17-00148 BKT
(if known)

☐ Check if this is an amended filing

Official Form 122C-2

Chapter 13 Calculation of Your Disposable Income

04/16

To fill out this form, you will need your completed copy of *Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period* (Official Form 122C-1).

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which additional information applies. On the top any additional pages, write your name and case number (if known).

Part 1: Calculate Your Deductions from Your Income

The Internal Revenue Service (IRS) issues National and Local Standards for certain expense amounts. Use these amounts to answer the questions in lines 6-15. To find the IRS standards, go online using the link specified in the separate instructions for this form. This information may also be available at the bankruptcy clerk's office.

Deduct the expense amounts set out in lines 6-15 regardless of your actual expense. In later parts of the form, you will use some of your actual expenses if they are higher than the standards. Do not include any operating expenses that you subtracted from income in lines 5 and 6 of Form 122C-1, and do not deduct any amounts that you subtracted from your spouse's income in line 13 of Form 122C-1.

If your expenses differ from month to month, enter the average expense.

Note: Line numbers 1-4 are not used in this form. These numbers apply to information required by a similar form used in chapter 7 cases.

5. The number of people used in determining your deductions from income

Fill in the number of people who could be claimed as exemptions on your federal income tax return, plus the number of any additional dependents whom you support. This number may be different from the number of people in your household.

1

National Standards You must use the IRS National Standards to answer the questions in lines 6-7.

6. **Food, clothing, and other items:** Using the number of people you entered in line 5 and the IRS National Standards, fill in the dollar amount for food, clothing, and other items. \$ 570.00
7. **Out-of-pocket health care allowance:** Using the number of people you entered in line 5 and the IRS National Standards, fill in the dollar amount for out-of-pocket health care. The number of people is split into two categories--people who are under 65 and people who are 65 or older--because older people have a higher IRS allowance for health care costs. If your actual expenses are higher than this IRS amount, you may deduct the additional amount on line 22.

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****People who are under 65 years of age**

7a. Out-of-pocket health care allowance per person \$ 54

7b. Number of people who are under 65 X 1

7c. **Subtotal.** Multiply line 7a by line 7b. \$ 54.00 Copy here=> \$ 54.00

People who are 65 years of age or older

7d. Out-of-pocket health care allowance per person \$ 130

7e. Number of people who are 65 or older X 0

7f. **Subtotal.** Multiply line 7d by line 7e. \$ 0.00 Copy here=> \$ 0.00

7g. **Total.** Add line 7c and line 7f \$ 54.00 Copy total here=> \$ 54.00

Local Standards You must use the IRS Local Standards to answer the questions in lines 8-15.**Based on information from the IRS, the U.S. Trustee Program has divided the IRS Local Standard for housing for bankruptcy purposes into two parts:****■ Housing and utilities - Insurance and operating expenses****■ Housing and utilities - Mortgage or rent expenses****To answer the questions in lines 8-9, use the U.S. Trustee Program chart. To find the chart, go online using the link specified in the separate instructions for this form. This chart may also be available at the bankruptcy clerk's office.**

8. **Housing and utilities - Insurance and operating expenses:** Using the number of people you entered in line 5, fill in the dollar amount listed for your county for insurance and operating expenses. \$ 435.00

9. **Housing and utilities - Mortgage or rent expenses:**

9a. Using the number of people you entered in line 5, fill in the dollar amount listed for your county for mortgage or rent expenses. \$ 581.00

9b. Total average monthly payment for all mortgages and other debts secured by your home.
To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Next divide by 60.

Name of the creditor	Average monthly payment
BSPR	\$ <u>1,569.50</u>
HOA Bosques de la Sierra	\$ <u>33.34</u>
IRS	\$ <u>257.77</u>

9b. Total average monthly payment \$ 1,860.61 Copy here=> -\$ 1,860.61 Repeat this amount on line 33a.

9c. Net mortgage or rent expense.

Subtract line 9b (*total average monthly payment*) from line 9a (*mortgage or rent expense*). If this number is less than \$0, enter \$0.

\$ 0.00 Copy here=> \$ 0.00

10. **If you claim that the U.S. Trustee Program's division of the IRS Local Standard for housing is incorrect and affects the calculation of your monthly expenses, fill in any additional amount you claim.** \$ 0.00

Explain why: _____

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****11. Local transportation expenses:** Check the number of vehicles for which you claim an ownership or operating expense.☐ 0. Go to line 14.☒ 1. Go to line 12.☐ 2 or more. Go to line 12.**12. Vehicle operation expense:** Using the IRS Local Standards and the number of vehicles for which you claim the operating expenses, fill in the *Operating Costs* that apply for your Census region or metropolitan statistical area. \$ **251.00****13. Vehicle ownership or lease expense:** Using the IRS Local Standards, calculate the net ownership or lease expense for each vehicle below. You may not claim the expense if you do not make any loan or lease payments on the vehicle. In addition, you may not claim the expense for more than two vehicles.**Vehicle 1 Describe Vehicle 1:** **2013 Hyundai Volester 75,000 miles****13a. Ownership or leasing costs using IRS Local Standard.....** \$ **471.00****13b. Average monthly payment for all debts secured by Vehicle 1.**

Do not include costs for leased vehicles.

To calculate the average monthly payment here and on line 13e, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Name of each creditor for Vehicle 1	Average monthly payment
SCOTIABANK of PUERTO RICO	\$ 317.03

Total Average Monthly Payment

\$ 317.03

Copy here => -\$ 317.03

Repeat this amount on line 33b.

13c. Net Vehicle 1 ownership or lease expense

Subtract line 13b from line 13a. if this number is less than \$0, enter \$0.

\$ 153.97

Copy net Vehicle 1 expense here =>

\$ 153.97

Vehicle 2 Describe Vehicle 2:**13d. Ownership or leasing costs using IRS Local Standard.....** \$ **0.00****13e. Average monthly payment for all debts secured by Vehicle 2. Do not include costs for leased vehicles.**

Name of each creditor for Vehicle 2	Average monthly payment
	\$

Total average monthly payment

\$

Copy here => -\$ 0.00

Repeat this amount on line 33c.

13f. Net Vehicle 2 ownership or lease expense

Subtract line 13e from line 13d. if this number is less than \$0, enter \$0.

\$ 0.00

Copy net Vehicle 2 expense here =>

\$ 0.00

14. Public transportation expense: If you claimed 0 vehicles in line 11, using the IRS Local Standards, fill in the *Public Transportation* expense allowance regardless of whether you use public transportation. \$ **0.00****15. Additional public transportation expense:** If you claimed 1 or more vehicles in line 11 and if you claim that you may also deduct a public transportation expense, you may fill in what you believe is the appropriate expense, but you may not claim more than the IRS Local Standard for *Public Transportation*. \$ **0.00**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Other Necessary Expenses**

In addition to the expense deductions listed above, you are allowed your monthly expenses for the following IRS categories.

16. **Taxes:** The total monthly amount that you will actually pay for federal, state and local taxes, such as income taxes, self-employment taxes, social security taxes, and Medicare taxes. You may include the monthly amount withheld from your pay for these taxes. However, if you expect to receive a tax refund, you must divide the expected refund by 12 and subtract that number from the total monthly amount that is withheld to pay for taxes.
Do not include real estate, sales, or use taxes. \$ **1,594.93**
17. **Involuntary deductions:** The total monthly payroll deductions that your job requires, such as retirement contributions, union dues, and uniform costs.
Do not include amounts that are not required by your job, such as voluntary 401(k) contributions or payroll savings. \$ **0.00**
18. **Life Insurance:** The total monthly premiums that you pay for your own term life insurance. If two married people are filing together, include payments that you make for your spouse's term life insurance.
Do not include premiums for life insurance on your dependents, for a non-filing spouse's life insurance, or for any form of life insurance other than term. \$ **5.11**
19. **Court-ordered payments:** The total monthly amount that you pay as required by the order of a court or administrative agency, such as spousal or child support payments.
Do not include payments on past due obligations for spousal or child support. You will list these obligations in line 35. \$ **1,736.80**
20. **Education:** The total monthly amount that you pay for education that is either required:
☒ as a condition for your job, or
☒ for your physically or mentally challenged dependent child if no public education is available for similar services. \$ **0.00**
21. **Childcare:** The total monthly amount that you pay for childcare, such as babysitting, daycare, nursery, and preschool.
Do not include payments for any elementary or secondary school education. \$ **0.00**
22. **Additional health care expenses, excluding insurance costs:** The monthly amount that you pay for health care that is required for the health and welfare of you or your dependents and that is not reimbursed by insurance or paid by a health savings account. Include only the amount that is more than the total entered in line 7.
Payments for health insurance or health savings accounts should be listed only in line 25. \$ **79.05**
23. **Optional telephone and telephone services:** The total monthly amount that you pay for telecommunication services for you and your dependents, such as pagers, call waiting, caller identification, special long distance, or business cell phone service, to the extent necessary for your health and welfare or that of your dependents or for the production of income, if it is not reimbursed by your employer.
Do not include payments for basic home telephone, internet and cell phone service. Do not include self-employment expenses, such as those reported on line 5 of Official Form 122C-1, or any amount you previously deducted. +\$ **0.00**
24. **Add all of the expenses allowed under the IRS expense allowances.** \$ **4,879.86**
Add lines 6 through 23.

Additional Expense DeductionsThese are additional deductions allowed by the Means Test.
Note: Do not include any expense allowances listed in lines 6-24.

25. **Health insurance, disability insurance, and health savings account expenses.** The monthly expenses for health insurance, disability insurance, and health savings accounts that are reasonably necessary for yourself, your spouse, or your dependents.
- | | | |
|------------------------|-------------------------|--|
| Health insurance | \$ 133.05 | |
| Disability insurance | \$ 0.00 | |
| Health savings account | + \$ 0.00 | |
| Total | \$ <u>133.05</u> | Copy total here=> \$ 133.05 |
- Do you actually spend this total amount?
☐ No. How much do you actually spend?
☒ Yes \$ _____
26. **Continued contributions to the care of household or family members.** The actual monthly expenses that you will continue to pay for the reasonable and necessary care and support of an elderly, chronically ill, or disabled member of your household or member of your immediate family who is unable to pay for such expenses. These expenses may include contributions to an account of a qualified ABLE program. 26 U.S.C. § 529A(b) \$ **0.00**
27. **Protection against family violence.** The reasonably necessary monthly expenses that you incur to maintain the safety of you and your family under the Family Violence Prevention and Services Act or other federal laws that apply.
By law, the court must keep the nature of these expenses confidential. \$ **0.00**

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT**

28. **Additional home energy costs.** Your home energy costs are included in your insurance and operating expenses on line 8.

If you believe that you have home energy costs that are more than the home energy costs included in expenses on line 8, then fill in the excess amount of home energy costs

You must give your case trustee documentation of your actual expenses, and you must show that the additional amount claimed is reasonable and necessary.

\$ **0.00**

29. **Education expenses for dependent children who are younger than 18.** The monthly expenses (not more than \$160.42* per child) that you pay for your dependent children who are younger than 18 years old to attend a private or public elementary or secondary school.

You must give your case trustee documentation of your actual expenses, and you must explain why the amount claimed is reasonable and necessary and not already accounted for in lines 6-23.

* Subject to adjustment on 4/01/19, and every 3 years after that for cases begun on or after the date of adjustment.

\$ **160.42**

30. **Additional food and clothing expense.** The monthly amount by which your actual food and clothing expenses are higher than the combined food and clothing allowances in the IRS National Standards. That amount cannot be more than 5% of the food and clothing allowances in the IRS National Standards.

To find a chart showing the maximum additional allowance, go online using the link specified in the separate instructions for this form. This chart may also be available at the bankruptcy clerk's office.

You must show that the additional amount claimed is reasonable and necessary.

\$ **0.00**

31. **Continuing charitable contributions.** The amount that you will continue to contribute in the form of cash or financial instruments to a religious or charitable organization. 11 U.S.C. § 548(d)(3) and (4).

Do not include any amount more than 15% of your gross monthly income.

\$ **25.00**

32. **Add all of the additional expense deductions.**

Add lines 25 through 31.

\$ **318.47**

Deductions for Debt Payment

33. **For debts that are secured by an interest in property that you own, including home mortgages, vehicle loans, and other secured debt, fill in lines 33a through 33e.**

To calculate the total average monthly payment, add all amounts that are contractually due to each secured creditor in the 60 months after you file for bankruptcy. Then divide by 60.

Mortgages on your home

Average monthly payment

33a. Copy line 9b here => \$ **1,860.61**

Loans on your first two vehicles

33b. Copy line 13b here => \$ **317.03**

33c. Copy line 13e here => \$ **0.00**

- 33d. List other secured debts:

Name of each creditor for other secured debt

Identify property that secures the debt

Does payment include taxes or insurance?

☐ No☐ Yes

\$

☐ No☐ Yes

\$

☐ No☐ Yes

+ \$

-NONE-

33e Total average monthly payment. Add lines 33a through 33d

\$ **2,177.64**

Copy total here=>

\$ **2,177.64**

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

34. Are any debts that you listed in line 33 secured by your primary residence, a vehicle, or other property necessary for your support or the support of your dependents?

☐ No. Go to line 35.

☒ Yes. State any amount that you must pay to a creditor, in addition to the payments listed in line 33, to keep possession of your property (called the *cure amount*). Next, divide by 60 and fill in the information below.

Name of the creditor	Identify property that secures the debt	Total cure amount	Monthly cure amount
BSPR	Bosque de la Sierra B 2 Coqui Mona CAGUAS, PR 00725 CAGUAS County 423 s/m lot Recorded @: Vol 1737 Page 78 Fca 60,311 § II Caguas Appraised as of 6/2016	\$ 6,597.00	÷ 60 = \$ 109.95
		\$	÷ 60 = \$
		\$	÷ 60 = \$
Total		\$ 109.95	Copy total here=> \$ 109.95

35. Do you owe any priority claims - such as a priority tax, child support, or alimony - that are past due as of the filing date of your bankruptcy case? 11 U.S.C. § 507.

☐ No. Go to line 36.

☒ Yes. Fill in the total amount of all of these priority claims. Do not include current or ongoing priority claims, such as those you listed in line 19.

Total amount of all past-due priority claims \$ 2,002.96 ÷ 60 \$ 33.38

36. Projected monthly Chapter 13 plan payment

\$ 100.00

Current multiplier for your district as stated on the list issued by the Administrative Office of the United States Courts (for districts in Alabama and North Carolina) or by the Executive Office for United States Trustees (for all other districts).
To find a list of district multipliers that includes your district, go online using the link specified in the separate instructions for this form. This list may also be available at the bankruptcy clerk's office.

X 8.00

Average monthly administrative expense

\$ 8.00 Copy total here=> \$ 8.00

37. Add all of the deductions for debt payment.

Add lines 33e through 36.

\$ 2,328.97

Total Deductions from Income

38. Add all of the allowed deductions.

Copy line 24, All of the expenses allowed under IRS expense allowances \$ 4,879.86

Copy line 32, All of the additional expense deductions \$ 318.47

Copy line 37, All of the deductions for debt payment +\$ 2,328.97

Total deductions \$ 7,527.30 Copy total here=> \$ 7,527.30

Debtor 1 **ORLANDO BABILONIA AYALA**Case number (if known) **17-00148 BKT****Part 2: Determine Your Disposable Income Under 11 U.S.C. § 1325(b)(2)**

39. **Copy your total current monthly income from line 14 of Form 122C-1, Chapter 13 Statement of Your Current Monthly Income and Calculation of Commitment Period.** \$ **6,883.90**

40. **Fill in any reasonably necessary income you receive for support for dependent children.** The monthly average of any child support payments, foster care payments, or disability payments for a dependent child, reported in Part I of Form 122C-1, that you received in accordance with applicable nonbankruptcy law to the extent reasonably necessary to be expended for such child. \$ **0.00**

41. **Fill in all qualified retirement deductions.** The monthly total of all amounts that your employer withheld from wages as contributions for qualified retirement plans, as specified in 11 U.S.C. § 541(b)(7) plus all required repayments of loans from retirement plans, as specified in 11 U.S.C. § 362(b)(19). \$ **1,351.24**

42. **Total of all deductions allowed under 11 U.S.C. § 707(b)(2)(A).** Copy line 38 here => \$ **7,527.30**

43. **Deduction for special circumstances.** If special circumstances justify additional expenses and you have no reasonable alternative, describe the special circumstances and their expenses. You must give your case trustee a detailed explanation of the special circumstances and documentation for the expenses.

Describe the special circumstances	Amount of expense
	\$
	\$
	\$

Total \$ **0.00**

Copy here=> \$ **0.00**

44. **Total adjustments.** Add lines 40 through 43. => \$ **8,878.54** Copy here=> -\$ **8,878.54**

45. **Calculate your monthly disposable income under § 1325(b)(2).** Subtract line 44 from line 39.

\$ **-1,994.64**

Part 3: Change in Income or Expenses

46. **Change in income or expenses.** If the income in Form 122C-1 or the expenses you reported in this form have changed or are virtually certain to change after the date you filed your bankruptcy petition and during the time your case will be open, fill in the information below. For example, if the wages reported increased after you filed your petition, check 122C-1 in the first column, enter line 2 in the second column, explain why the wages increased, fill in when the increase occurred, and fill in the amount of the increase.

Form	Line	Reason for change	Date of change	Increase or decrease?	Amount of change
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$
<input type="checkbox"/> 122C-1				<input type="checkbox"/> Increase	
<input type="checkbox"/> 122C-2				<input type="checkbox"/> Decrease	\$

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Part 4: Sign Below

By signing here, under penalty of perjury you declare that the information on this statement and in any attachments is true and correct.

X /s/ ORLANDO BABILONIA AYALA

ORLANDO BABILONIA AYALA

Signature of Debtor 1

Date **July 11, 2017**

MM / DD / YYYY

DRAFT

Debtor 1 **ORLANDO BABILONIA AYALA**

Case number (if known) **17-00148 BKT**

Current Monthly Income Details for the Debtor

Debtor Income Details:

Income for the Period **07/01/2016** to **12/31/2016**.

Line 2 - Gross wages, salary, tips, bonuses, overtime, commissions

Source of Income: **Medtronics**

Income by Month:

6 Months Ago:	<u>07/2016</u>	<u>\$8,602.69</u>
5 Months Ago:	<u>08/2016</u>	<u>\$5,996.49</u>
4 Months Ago:	<u>09/2016</u>	<u>\$5,996.49</u>
3 Months Ago:	<u>10/2016</u>	<u>\$6,018.99</u>
2 Months Ago:	<u>11/2016</u>	<u>\$5,996.49</u>
Last Month:	<u>12/2016</u>	<u>\$8,692.26</u>
Average per month:		<u>\$6,883.90</u>

DRAFT